

ACE Real Estate Relevant Terms and Definitions

The following terms and definitions are provided to ensure common understanding of the various documents and other material being presented as part of the ACE real estate initiative. This is a partial list; new terms and definitions will be added, or existing ones modified, as the overall work on project ACE is being developed.

— A - B - C —

Account Management:	The management of an organization's relationship with internal or external customers. An account manager provides the customer with a single point of contact representing the service organization; as the customer representative to the organization, the manager is accountable for understanding and helping meet the customer business requirements that best serve their needs.
Asset:	Anything owned that has an exchange value or is desirable to have. For this purpose it refers to an interest in real estate value owned by the state. Examples include a piece of land, a building or and an interest in a long term lease arrangement.
Asset Management:	The strategic function that manages an organizations' real estate assets to provide the maximum value to the organization.
Colocation:	The sharing of a defined block of space in one location by two or more agencies under one overall agreement with the landlord. The state of Wisconsin becomes the tenant for obligation purposes and two or more agencies reach a formal or informal agreement internally on how they will use the space and share applicable costs.
Complaint:	The formal expression of dissatisfaction, reported in writing or verbally, by a tenant, customer, citizen or any other interested party, concerning an action or activity performed by DSF, its employees or subcontractors in the management of the real estate assets.
Contingency Plan: (Facilities Mgmt)	The plan formulated for a property or group of properties that outlines the steps to be taken in the event of an emergency or major service disruption that may or may not be under the control of DSF.
Core Asset:	<p>A specific real property asset that is deemed by an organization to be unique and essential for its overall mission and that cannot be easily substituted by a commercial entity. As an example, the State Capitol building is core to the state of Wisconsin's real estate portfolio.</p> <p>A Non-Core Asset is the opposite: It is deemed, by the organization, to not be unique and can be substituted by a commercial entity. As an example, most office space is a non-core asset to the state of Wisconsin's real estate portfolio and is available from other sources.</p>

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Corrective Maintenance: Any non-discretionary maintenance activity associated with the repair or restoration of equipment, systems, building/tower structures, components, finishes or other failures. Corrective maintenance may involve the cost of collateral damage to related equipment beyond the immediate component that failed, and can often result in lost productivity. Corrective maintenance work may be:

- *Unplanned* – any corrective maintenance/repair associated with emergency or unanticipated safety breakdowns or occurrences
- *Planned* – non-urgent corrective maintenance/repair where appropriate scheduling may be applied (note that all corrective maintenance is considered reactive and is performed in response to conditions that are not desirable or acceptable for any building/tower structures, equipment and or systems).

Customers: Entities who receive our services. Customers of real estate services are the users of our space and the recipients of all other services provided by DSF.

— D – E - F —

Enterprise: The undertaking of an initiative or activity on behalf of all components of a larger entity. In this case, enterprise activities include the responsibility to lead the management of the state of Wisconsin's real estate portfolio activities in partnership with all affected agencies.

— G – H - I —

Governance: The authority to influence, administer, direct, control, manage or guide the outcome of issues presented by others for final decision. In this case, governance involves exercising the above responsibilities over policy or other issues presented to the Governance Board by the Real Estate Management Team.

Help Desk: A help desk facility provided by DSF to record, provide, track and monitor all facility management requests and report back on services provided to customers.

Institutional Portfolio: A portfolio of real estate assets managed to support a governmental entity and its functions. Institutional Portfolios do not serve as a primary stream of revenue for these entities. Considerations in the management of the portfolio commonly focus on budget or social service related, rather than value creation.

— J - K - L —

Key Performance Indicators (KPIs):

The performance indicators selected by DOA/DSF and partner agencies to measure the overall service outcome based on objective criteria. Generally grouped in broad categories, such as: customer satisfaction; operational efficiency, reliability, achieving financial objectives and contract compliance.

Performance Measures are specific indicators that identify the range of acceptability, in quantifiable or qualitative terms, used to monitor outcomes. Cost per square foot is an example of such a performance measure that could be used to measure whether financial objectives are being met.

— M – N - O —

Metro Planning:

The integrated evaluation, planning and recommended solutions for all space being used by the state in a defined geographic location, normally a central city and surrounding communities. The goal is to lower cost and increase efficiency of space to determine the best possible solution that meets all agency service and business needs within the defined area.

— P – Q - R —

Performance Criteria:

The standards by which a service is measured by DSF.

Real Estate:

The land, including the buildings or improvements on it, and its natural assets. However, in the real estate industry the term has been modified to mean the above plus all associated services required to manage it (facility management) and change it (project management). A real estate asset can be a specific property or group of properties (i.e., a real estate portfolio).

Real Estate Portfolio:

The management of real properties as a group exceeds the benefits that would be derived from managing them individually, while meeting agency and enterprise business objectives.

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— S - T - U —

Space Management:	Development and implementation of strategies and tactics to ensure that the space needs of clients are met in terms of human resource, attraction, utility, flexibility, reduction in other infrastructure costs, support of work processes and growth potential.
Strategic:	<p>The activity to plan large scale initiatives that will result in higher value outcomes and support other business strategies such as department business plan. Strategic planning is normally set at higher levels of management. Tactical activities are carried out at a task level and support strategies set by management.</p> <p>For example, the development of a metro plan creates opportunities for strategic considerations and solution development alternatives. The implementation of components of the metro plan become tactical activities to carry out as specific tasks (e.g., sign a new lease and move tenants into that space).</p>
Stakeholders:	Common interest in a property or a group of defined activities or course of action. Managing a portfolio of real estate assets usually includes many stakeholders, including: the owner of the properties (the state or private parties), the service providers (DSF or contractors), and the tenants (agencies or their customers) and in some cases also the public at large as the taxpayer.
Total Cost Of Occupancy (TCO)	It is the total cost incurred to obtain and have the right to occupy a particular property or portfolio of properties over the life of its use. The properties may be owned, leased or both. Costs included are: rent, property taxes, ongoing operating expenses, refurbishments and improvements, debt service and total staff costs.
Transaction Management:	The management of all tasks relative to owning, acquiring and disposing of real estate assets, whether leased or owned, including all subleasing.

— V - W - X —